



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

VALLEY REGIONAL OFFICE

Douglas W. Domenech
Secretary of Natural Resources

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David K. Paylor
Director

Amy Thatcher Owens
Regional Director

February 5, 2013

Mr. Charles D. Holley
Vice President Fossil & Hydro Systems Operations
Dominion Resource Services, Inc.
5000 Dominion Boulevard
Glen Allen, Virginia 23060

Facility: Warren County Power Station
Location: Warren County
Registration No.: 81391
Plant ID No.: 51-187-0041

Dear Mr. Holley:

Attached is a Phase II Acid Rain permit to operate an electric power generating facility pursuant to 9 VAC 5 Chapter 80, Article 3, of the Virginia Regulations for the Control and Abatement of Air Pollution. The permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and civil penalty. Please read all permit conditions carefully.

In the course of evaluating the application and arriving at a final decision to issue this permit, the Department of Environmental Quality (DEQ) deemed the application complete on December 13, 2012, and solicited written public comments by placing a newspaper advertisement in *The Northern Virginia Daily* newspaper on December 20, 2012. The 30-day public comment period, provided for in 9 VAC 5-80-670, expired on January 20, 2013. The 45-day EPA review period expired on February 4, 2013.

This permit approval shall not relieve Virginia Electric & Power Company of the responsibility to comply with all other local, state and federal permit regulations.

Issuance of this permit is a case decision. The Regulations, at 9 VAC 5-170-200, provide that you may request a formal hearing from this case decision by filing a petition with the Board

within 30 days after this permit is mailed or delivered to you. Please consult this and other relevant provisions for additional requirements for such requests. Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

David K. Paylor, Director
Department of Environmental Quality
P.O. Box 1105
Richmond, Virginia 23218

In the event that you receive this permit by mail, three days are added to the period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia, at <http://www.courts.state.va.us/courts/scv/rules.html>, for additional information including filing dates and the required content of the Notice of Appeal.

If you have any questions concerning this permit, please contact Debbie Medlin of the Valley Regional Office at (540) 574-7809 or via electronic mail at Debbie.Medlin@deq.virginia.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Keith Fowler', written over a horizontal line.

B. Keith Fowler
Deputy Regional Director

Attachment: Permit

- c. Manager, Data Analysis (electronic file submission)
Chief, Air Enforcement Branch (3AP20), U.S. EPA, Region 3
Regional Acid Rain Coordinator (3AP20), U.S. EPA, Region 3



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

PHASE II ACID RAIN PERMIT

Issued To: Warren County Power Station
Operated By: Virginia Electric & Power Company
Location: 477 Kelly Drive, Warren Industrial Park
Warren County, Virginia
Effective Date: January 1, 2014
Expiration Date: December 31, 2018

Registration No.: 81391
ORIS Code: 55939
Plant ID No.: 51-187-0041

Acid Rain Permit Contents

- 1) Statement of Basis
- 2) SO₂ allowances allocated under this permit and NO_x requirements for each affected unit.
- 3) Additional requirements or conditions, and any comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process.
- 4) The permit application submitted for this source.

Permit Approval

Approved on

2/5/13
A handwritten signature in black ink, appearing to read "Amy R. Owens", written over a horizontal line.

Regional Director, Valley Region

Permit consists of 8 pages, including the attached application.

1) Statement of Basis:

Statutory and Regulatory Authorities: In accordance with the Air Pollution Control Law of Virginia §10.1-1308 and §10.1-1322, the Environmental Protection Agency (EPA) Final Full Approval of the Operating Permits Program (Titles IV and V) published in the Federal Register December 4, 2001, Volume 66, Number 233, Rules and Regulations, Pages 62961-62967 and effective November 30, 2001, and Title 40, the Code of Federal Regulations §§72.1 through 76.16, the Commonwealth of Virginia Department of Environmental Quality issues this permit pursuant to 9 VAC 5 Chapter 80, Article 3 of the Virginia Regulations for the Control and Abatement of Air Pollution (Acid Rain Operating Permits).
(9 VAC 5-80-490 B.2)

2) SO₂ Allowance Allocations and NO_x Requirements for affected units:

Units	1A, 1B, and 1C				
Year	2014	2015	2016	2017	2018
SO₂ Allowances under Table 2 of 40 CFR 73.10 (tons)	None. (See 3.B.(1) and 3.B.(2))				
NO_x Limit	Not Applicable. (See 3.D.)				

(9 VAC 5-80-490 A.4)

3) Additional Requirements, Notes, Comments, and Justifications.

A. Additional Requirements:

Virginia Electric & Power Company shall submit a complete permit application that includes all of the information required under 40 CFR §§72.21 and 72.31 at least 6 months, but no earlier than 18 months, prior to the date of expiration of the existing Phase II Acid Rain permit. EPA forms shall be used.
(9 VAC 5-80-430 C.5)

B. Notes:

- (1) These units were not eligible for SO₂ allowance allocations by the U.S. EPA under Section 405 of the Clean Air Act and the Acid Rain Program, so none were assigned in 40 CFR Part 73, Table 2.
(9 VAC 5-80-420 C.6)

(2) SO₂ allowances may be acquired from other sources in addition to those allocated by the U.S. EPA. No revision to this permit is necessary in order for the owners and operators of these units to hold additional allowances recorded in accordance with 40 CFR Part 73. The owners and operators of these units remain obligated to hold sufficient allowances to account for SO₂ emissions from these units in accordance with 40 CFR §72.9(c)(1).
(9 VAC 5-80-420 C.1 and H.1 and 9 VAC 5-80-490 O)

C. Comments:

None

D. Justifications:

Units 1A, 1B, and 1C are each gas-fired units, and are not subject to NO_x limitations under 40 CFR Part 76.
(9 VAC 5-80-420 D)

4) Phase II Acid Rain Permit Application:

The attached permit application in Attachment A is incorporated into this Phase II Acid Rain permit by reference. The owners and operators of the source shall comply with the standard requirements and special provisions set forth in the application.
(9 VAC 5-80-440 and 9 VAC 5-80-490 A.4.a and c, B, C, E, F, M, O and P)

Facility (Source) Name (from STEP 1): Warren County Power Station

Permit Requirements

STEP 3

Read the standard requirements.

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
 - (ii) Have an Acid Rain Permit.

Monitoring Requirements

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the source or unit, as appropriate, with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the source's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the source; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

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Facility (Source) Name (from STEP 1): **Warren County Power Station**

Sulfur Dioxide Requirements, Cont'd.

STEP 3, Cont'd.

- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

- (1) The designated representative of an affected source that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an affected source that has excess emissions in any calendar year shall:
 - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
 - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:

- (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the

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Facility (Source) Name (from STEP 1): Warren County Power Station

submission of a new certificate of representation changing the designated representative;

STEP 3, Cont'd.

Recordkeeping and Reporting Requirements, Cont'd.

- (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

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Facility (Source) Name (from STEP 1): **Warren County Power Station**

STEP 3, Cont'd.

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating

Effect on Other Authorities, Cont'd.

to applicable National Ambient Air Quality Standards or State Implementation Plans;

(2) Limiting the number of allowances a source can hold; *provided*, that the number of allowances held by the source shall not affect the source's obligation to comply with any other provisions of the Act;

(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

STEP 4

Read the certification statement, sign, and date.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name **Charles D. Holley**

Signature

CD Holley

Date

9/13/2012

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